



SALES DISCLOSURE FORM FREQUENTLY ASKED QUESTIONS AUDITOR EDITION September 4, 2009

- 1. Are both the last five digits of the driver's license number and the last five digits of the social security number required to apply for the Homestead Standard Deduction on the Sales Disclosure form?**

Yes, the last five digits of both identification numbers are required when an application for the Homestead Standard Deduction is filed on the Sales Disclosure Form (SDF). The collection of both numbers is the best approach for eliminating homestead fraud. However, an individual's application should not be denied because the driver's license number provided is out-of-state. If an out-of-state number is provided, the county auditor should begin a more thorough investigation to determine if the property is the individual's primary residence.

- 2. What if an individual does not have one or both of the required identification numbers?**

If the applicant or the applicant's spouse (if any) do(es) not have a Social Security number, any of the following may be provided for that individual:

(1) The last five (5) digits of the individual's driver's license number. *(Note: In the event no Social Security number is available for the applicant or the spouse, the last five (5) digits of the driver's license number alone are sufficient identification.)*

(2) The last five (5) digits of the individual's state identification number.

(3) The last five (5) digits of a control number that is on a document issued to the individual by the federal government.

If an individual does not have a driver's license and/or social security number, another state or federal identification number may be provided. If an individual provides a unique form of identification that should be noted in the notes section of the Homestead Database so those searching for duplicates will know to what the number refers. A unique form of identification may also require a more thorough investigation to prove that the property is the individual's primary residence.

3. What if the individual is moving to Indiana from out-of-state and does not yet have an Indiana driver's license?

Indiana law requires a new resident to obtain an Indiana driver's license within 60 days of moving to the state. Therefore, it is possible for an individual moving to Indiana from another state to file for a homestead before actually having an Indiana driver's license. The auditor should, therefore, accept the out-of-state number and remind the taxpayer that they are required to update it within 60 days of moving. The auditor then can periodically search the county database to find "stale" out-of-state filings and contact the party to have the information updated.

If an individual has an out-of-state driver's license for another reason other than moving, it does not automatically prevent the individual from claiming the Homestead Standard Deduction. If an individual provides an out-of-state driver's license and is not planning to obtain an Indiana driver's license, additional information may be required to prove that the property is the individual's primary residence.

4. Can a Matricula Consular card issued by a Mexican embassy be used as an identification number?

If the individual does not have a driver's license and/or social security number, the Matricula Consular card may be accepted. The acceptance of this card should be noted in the notes section of the Homestead Database so those searching for duplicates will know to what the number refers. Again, the use of this unique form of identification may require a more thorough investigation to prove that the property is the individual's primary residence.

5. Should either the auditor or the assessor reject a SDF for lack of the social security number or driver's license number?

No, the sales disclosure form can still be processed without these numbers being submitted. However, the auditor should not accept the SDF as a complete homestead application if these numbers are not provided.

6. Do both husband and wife have to sign the sales disclosure form?

Only the person completing the sales disclosure form need sign the form. However, if one spouse wishes to use the sales disclosure form to complete the application for the homestead standard deduction, both spouses' identification numbers must be provided regardless of who is the owner of the property. Married couples are limited to one homestead standard deduction and so the identification numbers of both spouses is important.

7. How should easements and right-of-way grants be handled?

Under new legislation passed during the most recent special legislative session, a sales disclosure form (SDF) is no longer required to be collected for government and utility easements or right-of-way grants. Easements and right of way grants in all other cases, however, are still considered

conveyance documents under statute and must have an SDF filed if they are exchanged for valuable consideration.

8. The conveyance was for no consideration; however, the deed says “for \$1 and other valuable consideration.” How should we proceed?

In the case of a gift or other non-value transaction, the deed may still say that it was for \$1, or \$10, and other valuable consideration. This is a boilerplate statement that many attorneys use in drafting conveyance documents, but generally does not have any bearing on whether it is “valuable consideration” for the purposes of the Sales Disclosure statute. If the deed brought to the auditor’s office for filing says for \$1 or \$10, the auditor should ask whether the property was transferred for consideration and if so, for the completed sales disclosure form. If the individual says that the transaction was a gift, the auditor should accept the deed. If the transaction was for consideration, a SDF needs to be completed if not already done so.

9. On page 3, under the auditor portion of the form, there are boxes that ask whether the form and attachments are complete, and whether a fee is collected. Does the auditor have to fill these out, since it is the assessor who uses the form?

While the assessor reviews the form to ensure that it is completed and meets the needs of the office, it is the statutory responsibility of the auditor to verify the completeness of the form; therefore it is important that the auditor or his or her staff review the forms before accepting them.

10. What versions of the form are acceptable?

Unlike last year, the changes to the form this year are not enough to require that older forms be rejected and so the county can collect an older version of the form, provided that it is on a form revised in 2008 or later. However, buyers still must supply the appropriate homestead information in order to apply for the deduction regardless of the form filed.

11. People are signing up for e-mail bills on the sales disclosure form, even though we haven’t authorized them in our county. What should I do with these?

HEA 1344-2009 allows taxpayers to receive bills via e-mail, provided the county adopts the option. Until that time, the names can simply accumulate on your sales system. If and when the county authorizes them, the names can be immediately pulled and used. If this occurs, however, the county should send messages to each account to verify that the names and e-mail addresses are still valid.